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News Release

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Tax preparer sentenced to 10 months for filing false claims

As the next tax filing season approaches, United States District Court Judge Paul Magnuson sent a message to all tax preparers as he sentenced a St. Paul tax preparer to 10 months incarceration for filing false claims against the U.S. Danny Shoua Yang, 35, was sentenced today in St. Paul to five months in prison and five months home confinement.

Magnuson also ordered Yang to pay restitution to both the Internal Revenue Service (\$29,803) and to the Minnesota Department of Revenue (\$3,382).

Yang pleaded guilty on Aug. 1, 2007, to six counts of filing false claims. He was indicted March 27, 2007, on 12 counts of false claims.

According to Yang's plea agreement, he operated a tax preparation business of his St. Paul residence, and added fictitious dependents and/or tax credits to the taxpayer's return, which falsely inflated the claimed refund. Yang filed these fraudulent returns with both the IRS and the Minnesota Department of Revenue.

The false returns directed that refunds be paid via wire transfer into Yang's bank account, and from February 2005 to May 2005, Yang had filed at least 13 false federal income tax returns, claiming more than \$30,000 in false refunds. During that same time period, Yang filed at least 11 false Minnesota state income tax returns, claiming more than \$10,000 in false refunds.

In sentencing Yang, Judge Magnuson chastised Yang for his exploitation of the taxpayers he used to file the false tax returns, many of whom were recent immigrants to the U.S. Magnuson advised Yang that his sentence represented punishment for abusing the trust placed in him by those taxpayers.

This case was the result of an investigation by the IRS-Criminal Investigations Division and Criminal Investigations Division of the Minnesota Department of Revenue, and was prosecuted by Assistant U.S. Attorney Timothy Rank.